

### QUARTERLY STATUS REPORT



### COMPACT GOAL

The five-year, \$698 million compact will stimulate economic growth, increase household incomes, and raise the quality of life in program areas through targeted infrastructure investments in transportation, energy and water.

### COMPACT AT A GLANCE

Compact Signed	02-17-2008
Entry Into Force	09-17-2008
Compact End Date	09-17-2013
Compact Total	\$698,136,000
Amount Committed	\$616,355,462
Amount Expended	\$320,750,856
Estimated Program Beneficiaries	5,425,013
Estimated Increase in Household Income	\$1,336,000,000

### % OF TOTAL COMPACT BUDGET (USD MILLIONS)

53%	Transport Sector Project	\$366.8
<b>30</b> %	Energy Sector Project	\$207.2
9%	Water Sector Project	\$64.2
<b>7</b> %	<b>Program Administration And Control</b>	\$46.0
1%	Monitoring And Evaluation	\$8.2





## **Transport Sector Project**

Increase cash crop revenue and tourism by paving and upgrading of more than 430 kilometers of trunk roads on the mainland; upgrading Mafia Island Airport; paving and upgrading 35 kilometers of rural roads on Pemba Island; and providing support to enhance Tanzania's capacity to maintain its road network and improve road safety.

# Projected Long-Term Results (Up to 20 years)

ESTIMATED BENEFICIARIES

ESTIMATED INCREASE IN HOUSEHOLD INCOME

1,624,552

### \$427,000,000

20-year projected benefits are based on the best, currently available, information and may be updated if new, more reliable, data are available.



### PROJECTED RESULTS BY END OF COMPACT

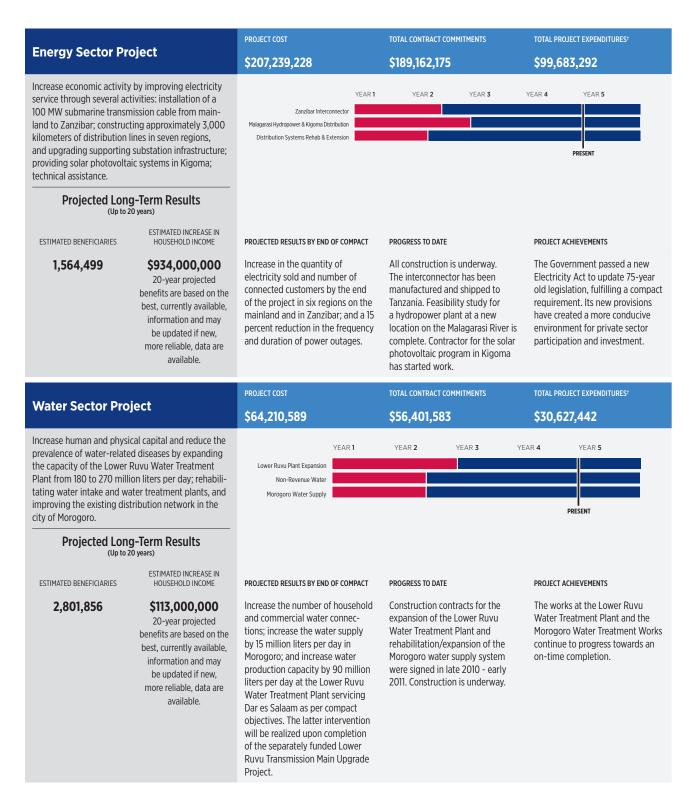
Pave and improve 430 kilometers of high-traffic roads on Tanzania's mainland; pave and improve 35 kilometers of rural roads on Pemba Island; and pave 1.4 kilometers of airport runway with associated site improvements for the Mafia Island Airport.

### PROGRESS TO DATE

Construction contracts for all six Mainland Trunk Road Activity segments (over 430 kilometers), Pemba Rural Roads, and Mafia Island Airport Activity have been signed and construction is underway. The first contracted Mainland Trunk Road Activity (from Tanga to Horohoro) is scheduled for completion in the fourth quarter of 2012.

### PROJECT ACHIEVEMENTS

In collaboration with MCC and other donors, the Government of Tanzania established a new National Road Safety Policy approved by the cabinet in 2009. Road maintenance expenditures are on track.



The cancellation of the Malagarasi hydropower activity due to environmental concerns, resulted in the following alternative activities: 1) conducting a feasibility study for a 41 MW hydropower plant (completed); 2) rehabilitating sections of the Kigoma transmission and distribution network (works now commencing); and 3) instituting a solar photovoltaic program for public, business and household sectors in Kigoma and Kasulu (work underway).

Total contract commitments for the Transport Sector Project are listed higher than the project costs as of March 2012 due to an accounting timing difference that arose when allocating funding contributions of both MCC and Government of Tanzania. If there were no timing difference, the correct contract commitment figure as of March 2012 is \$363,865,273. The timing difference will be addressed for the quarter ending June 2012.

†Expenditures are the sum of cash outlays and quarterly accruals for work completed but not yet paid or invoiced.

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